WILL



MARC SPITZER
COMMISSIONER



ARIZONA CORPORATION COMMISSION

July 12, 2001

AL

BRIAN C. McNEIL
EXECUTIVE SECRETARY

RECEIVED

2001 JUL 12 A 11: 46

AZ CORP COMMISSION DECLUENT CONTROL

DOCKET NO. T-00000A-00-0194

Chairman William Mundell Commissioner Jim Irvin Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007

In Re: Cost Docket Settlement Request

Arizona Corporation Commission

DOCKETED

JUL 1 2 2001

DOCKETED BY MAN

My Fellow Commissioners:

Attached you will find Staff's memorandum to each of our offices, notifying us of Qwest's recent offer to enter into settlement negotiations in the Cost Docket.

As you have observed from my docketed questions, I am highly interested in the details of this case and its implications for Arizona consumers. I respectfully refer to you the following section of the 1996 Telecommunications Act:

"CONSULTATION WITH STATE COMMISSIONS – Before making any determination under this subsection, the Commission shall consult with the State commission of any State that is the subject of the application in order to verify the compliance of the Bell operating company with the requirements of subsection (c)." § 271 (d) (2) (B)

If this Commission approves a 271 Application for Qwest, both the Federal Communications Commission and the U.S. Department of Justice will examine the record we develop to determine whether or not Qwest has fulfilled the requirements of the Act and whether or not this Commission appropriately granted the application.

I believe the key to ensuring that we make the right decision in the 271 process, regardless of the outcome, is the full and complete development of the record.

July 12, 2001 Page 2

As you observed from my docketed questions, this is a complicated case with widely divergent positions taken by all parties. I am opposed to any action that short-circuits the development of a record which answers the myriad questions posed by the case and that will meet the scrutiny of the FCC and DOJ.

Very Truly Yours,

Marc Spitzer Commissioner

Cc: Docket Control

All Parties

Memorandum

RECEIVED

2001 JUL -9 P 4: 15

AZ CORP COMMISSION

DOCUMENT CONTROL

To:

Docket Control

From:

Deborah R. Scott
Director, Utilities Division

Date:

July 9, 2001

Re:

Settlement Discussions

Wholesale Pricing Requirements for Unbundled Network Elements and Resale

Discounts Docket - Docket T-00000A-00-0194

As directed by the Commission, this memorandum is to provide notice to the docket that Owest Corporation has approached Staff requesting settlement discussions in the abovereferenced docket.

To date, Staff has not engaged in any settlement discussions.

The parties to the docket are: the Company, Staff, AT&T Communications of the XO Communications, Z-Tel Communications, McLeodUSA Mountain States, Nextlink, Telecommunications Service, Inc., Teligent, Alltel Communications, Cox Arizona Telecom, Inc., espire Communications, MGC Communications, Echelon Telecom, Inc. Rhythms Links, Inc. Time Warner, WorldCom, Allegiance, Sprint Communications, Covad Communications, New Edge Networks, and Electric Lightwave, Inc.

DRS:mi

cc:

Parties of Record